

**IDAHO LOW INCOME HOME ENERGY ASSISTANCE PROGRAM  
DIRECT PAYMENT VENDOR AGREEMENT #1  
(BULK FUEL and WOOD)**

**BETWEEN:** Department of Health and Welfare (DHW)  
Benefit Program Operations  
Division of Welfare

**AND:** \_\_\_\_\_  
Home Energy Vendor (HEV)

The Low Income Home Energy Assistance Act of 1981, and subsequent amendments, requires that certain assurances be satisfied before energy assistance payments may be made to suppliers of home heating energy. This agreement defines the conditions required by the Home Energy Vendor (HEV) and the Department of Health and Welfare (DHW) to assure compliance with the regulations of the Low Income Home Energy Assistance Program.

**No HEV shall be paid an energy assistance payment without signing an agreement with DHW assuring that the conditions contained herein are met.**

**SECTION I DEFINITIONS:**

1. "Low Income Home Energy Assistance Program (LIHEAP)" is referred to as Energy Assistance Program in the agreement.
2. "Home Energy Vendor, (HEV)" is energy vendor providing home energy to eligible household.
3. "Subgrantee" is seven, non-profit agencies, i.e.: Community Action Partnership, Western Idaho Community Action Program, El-Ada, Inc., South Central Community Action Partnership, Southeastern Idaho Community Action Agency, and Eastern Idaho Special Services Agency with whom DHW has contracted for the Energy Assistance Program application processing.
4. An "Eligible Household" is a household who applies and is determined eligible by DHW for assistance through the Energy Assistance Program.
5. "Energy Assistance Payment" is a payment issued by DHW to an eligible household to assist with their home energy costs. Energy costs may include pre-payment for fuel delivery, payment for emergency energy assistance deliveries, and/or a line of credit for future usage.
6. "Energy Assistance Authorization" is the written notification of agreement between Energy Vendor, eligible household, DHW and/or subgrantee. The authorization includes the eligible household's

### **SECTION I DEFINITIONS, (continued)**

applicant name, address, energy assistance payment amount, payment date, and if applicable, account number.

7. "Bulk Fuel" includes furnace fuel oil, propane, wood, wood pellets and coal.

### **SECTION II DHW CONDITIONS**

The DHW or subgrantee shall:

1. Notify the HEV of payment issued on behalf of an eligible household through a verbal agreement followed by a written authorization from DHW or its subgrantee. If there is a change in the benefit amount, the subgrantee will forward a copy of the letter sent to the applicant to the HEV as formal notification.
2. Reimburse all valid Energy Assistance Authorizations on or before forty-five (45) days after eligibility is established and home energy is delivered or provided to the household. A report listing all eligible households will accompany reimbursement payments to the HEV.
3. Notify eligible households of the amount of energy assistance payment issued to the HEV on their behalf.
4. Inform the HEV, in a timely manner, of any relevant changes in the Energy Assistance Program resulting from changes in federal regulations or state rules.
5. Except in crisis situations, (lack of home energy) DHW or its subgrantees shall give the HEV twenty-four (24) hours advance notice for home delivery to eligible households.

### **SECTION III HEV CONDITIONS**

The HEV shall:

1. Refer potential applicants to DHW or its subgrantees for assistance through the Energy Assistance Program.
2. In the normal billing process, charge an eligible household the difference if any, between the actual cost of the home energy used and the household's energy assistance payment.
3. Not discriminate, either in the cost of goods supplied or the services provided (including service/interest charges, reconnection fees, and payment plan arrangements) against the eligible household.

**SECTION III HEV CONDITIONS, (continued)**

4. Not treat an eligible household receiving assistance under the Energy Assistance Program adversely because of such assistance, under applicable provisions of state law and Idaho Public Utility Commission Regulations.
5. Upon receipt, credit eligible household's energy assistance payment to their account promptly, and in no event, later than their next billing cycle. Where possible, the billing statement shall identify the receipt of the energy assistance payment and continue to reflect the payment until the payment is used in full, for the household's reference.
6. Apply the energy assistance payment only to the household's energy cost if the eligible household's account includes costs for services other than home energy (heating) costs.
7. Contact DHW if reimbursement payment is not received within forty-five (45) days of their notification of the households' Energy Assistance Program eligibility.
8. Contact DHW immediately if an Energy Assistance Payment is received but no listing of eligible households is received.
9. Deliver bulk fuel upon receipt of verbal or written agreement with DHW or its sub-grantee on behalf of the eligible household. DHW or its sub-grantee may require verification of energy delivery to eligible household prior to payment reimbursement.
10. Negotiate payment arrangements with the eligible household if the eligible household has an existing account with an outstanding balance after their energy assistance payment is applied.
11. Deliver bulk fuel in accordance with the normal business practices of the HEV. No deliveries (except those agreed to by the HEV and DHW or its sub-grantees) will be made on Saturdays, Sundays or Holidays.
12. Charge the eligible household the posted price as of the date of delivery. No interest shall be charged to the eligible household between the date of notification of their eligibility and receipt of their energy assistance payment.
13. Notify DHW or its sub-grantee immediately in the event that bulk fuel can not be delivered by the HEV. If the energy assistance payment has been issued, the full amount shall be returned within ten (10) days to the eligible household. At the eligible household's request, the HEV may forward their energy assistance payment to their new HEV.

**SECTION III HEV CONDITIONS, (continued)**

14. In the event the eligible household voluntarily discontinues service after notification of assistance eligibility, return any unused portion of the payment to the eligible household and their new HEV, in the form of a dual endorsement payment. This is done within thirty (30) days from date the HEV is notified to close account.
15. In the event the eligible household does not have a new HEV at the time the account is closed, return any unused portion of the payment to the eligible household. The HEV has the option to return the unused energy assistance payment to the State of Idaho, Bureau of Policy for follow-up with the household.
16. In the event the eligible household can not be located after the account is closed, return any remaining energy assistance credit to DHW within sixty (60) days. Return the unused funds to:  
  
Idaho Department of Health and Welfare  
Benefit Program Operations, Grants Unit  
Energy Assistance Program  
PO Box 83720  
Boise, ID 83720-0036
17. Include the eligible household's name and social security number (if known) on all returned energy assistance payments. If returned payment is for more than one household, the amount and participant name is listed for each household.
18. In the event of death of the eligible household applicant, any unused portion of the energy assistance payment belongs to the estate of the deceased. If there is no estate, the benefit payment is returned to DHW as described under Section III, #16 of this agreement.
19. Maintain an adequate accounting system to allow DHW or their designated representative to verify the correct assistance payment and that the payment was used for providing *home energy* to the eligible households.
20. Whenever possible, minimize the risk of home energy crisis through early detection, budget planning and/or regular payment arrangements with eligible household.
21. Intervene and assist the eligible household to resolve life-threatening energy crisis situations (lack of heat) within 18 hours of negotiations with DHW or subgrantee representing eligible household.
22. Assist the eligible household to resolve energy crisis situations (threat of termination or reduced fuel supply) within 48 hours of negotiation with DHW or sub-grantee representing the eligible household.

**SECTION III HEV CONDITIONS, (continued)**

23. Agree to provide bulk fuel i.e. propane, oil, coal, wood, or wood pellets for only the amount of negotiated energy assistance payment with DHW or its sub-grantee.
24. If unable to provide crisis assistance to the household within the required time limits, prepare a written explanation of the reason(s) for non-compliance of agreement and submit to DHW for review.

**SECTION IV AGREEMENT TERMINATION**

This agreement shall be terminated for one of the following reasons:

1. A change in the requirements of Title VI of the Human Services Reauthorization Act of 1986 (P.L. 99-425)
2. A change in the federal or state regulations promulgated under the act;
3. A change in the state plan for administering LIHEAP,
4. Non-compliance with agreed conditions by either party.
5. Thirty days' written notice of termination by either party,
6. Mutual consent of both parties,

Termination by either party shall not discharge any obligation owed by either party to the other or to an Eligible Household or any liability that has accrued prior to termination.

DHW may terminate the whole or any part of this agreement if the HEV fails to perform any of the provisions of this agreement. Through written notice, DHW will allow the HEV ten days to resolve the issue before the agreement is terminated.

Upon signing by both parties, this agreement shall stay in effect until terminated in accordance with Section IV, Agreement Termination.

Thank you for participating in Idaho's Low Income Home Energy Assistance Program.

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Greg Kunz, Acting Administrator  
Division of Welfare  
Department of Health and Welfare  
State of Idaho

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Date

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Home Energy Vendor Representative/Contact

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Date

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Home Energy Vendor (HEV)

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Fuel Type

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Mailing Address

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City, State

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Zip Code

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Telephone Number

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Fax Number

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e-mail address